

To all USAID Contractors:

**Subject: Dealings with Third Parties**

The purpose of this Notice is to remind you of the following section in AIDAR Clause 752.7013:

AIDAR clause 752.7013, "Contractor-Mission Relationships", provides as follows: "The Contractor acknowledges that this contract is an important part of the United States Foreign Assistance Program and agrees that its operations and those of its employees in the Cooperating Country will be carried out in such a manner as to be fully commensurate with the responsibility which this entails." The clause further states, "Although the Contractor will be responsible for all professional, technical, and administrative details of the work called for by the contract, it shall be under the guidance of the Mission Director in matters relating to foreign policy. " The clause provides for remedies when employee conduct does not accord with these principles, including the right of the Ambassador "to direct the removal from country of any U.S. citizen or the discharge from this contract of any third country national or cooperating country national when, at the discretion of the Ambassador, the interests of the United States so require."

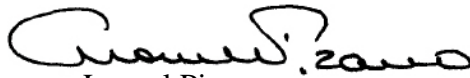
It is imperative that you and your staff bear these principles in mind at all times and avoid any actions that could adversely affect the foreign policy interests of the USG. In a recent incident, employees of a contractor provided unauthorized assistance to a third party, under circumstances where the contractor employees appeared to be acting on behalf of USAID, which was not true. The assistance provided was highly controversial, the incident created a great deal of embarrassment for USAID and the U.S. Government in general, and it came very close to having severe consequences for the contractor and/or some of its expatriate and local staff. USAID wants to ensure that no such incidents occur among any of our contractors in the future.

Please bear in mind that the client your firm serves directly under its contract is USAID, and not any other party (e.g., not other donors, the Government of Israel or the Palestinian Authority). We recognize that coordination with outside parties is essential to your work. However, coordination should be aimed solely at performing your firm's contract with USAID, and should not include actions to further the interests of other parties. If your firm receives any request from another party for assistance that is outside the immediate scope of your contract, you should refer the request to the USAID Contracting Officer and advise the outside party that approval of the USAID Contracting Officer is required before action may be taken. Furthermore, when faced with any requests or circumstances that may affect U.S. foreign policy interests, your firm should seek guidance from the USAID Mission Director or his designee before responding or taking action.

We request that you immediately share a copy of this notice with all of your current staff, and give a copy to all new staff when they come on board in the future.

If you need additional information please do not hesitate to contact me with any questions or concerns relating this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Leonel Pizarro', with a stylized flourish at the end.

Leonel Pizarro  
Contracting Officer